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PUBLIC UTILITY COMMISSION
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DOCKET NO. **45793**

NON-STANDARD TRUE-UP FILING §
OF ENTERGY TEXAS, INC. §
PURSUANT TO THE FINANCING §
ORDER IN DOCKET NO. 33586 §

BEFORE THE
PUBLIC UTILITY COMMISSION
OF TEXAS

PETITION

Entergy Texas, Inc. ("ETI" or the "Company") is filing this Non-standard True-up filing as the servicer of Transition Bonds issued pursuant to the Financing Order issued by the Public Utility Commission of Texas ("PUCT" or "Commission") in Docket No. 33586, *Application of Entergy Gulf States, Inc. for a Financing Order* (April 2, 2007, as corrected on April 23, 2007). ETI makes this filing on its own behalf and on behalf of any successor servicers, which may include any successors and assigns that on a future date provide transmission and distribution service directly to customers taking service at facilities, premises or loads located within ETI's service area.

I. Business Address and Authorized Representatives

The business address of the Company is:

Entergy Texas, Inc.
350 Pine Street
Beaumont, Texas 77701.

The business mailing address of the Company is:

Entergy Texas, Inc.
P.O. Box 2951
Beaumont, Texas 77704.

The business telephone number of the Company is (409) 838-6631.

The authorized representatives of the Company in this proceeding are:

Deanna Rodriguez
Vice President,
Regulatory Affairs
Entergy Texas, Inc.
919 Congress Ave., Suite 740
Austin, Texas 78701
512-487-3999
(Fax) 512-487-3998

Steven H. Neinast
Entergy Services, Inc.
919 Congress Ave.
Suite 701
Austin, Texas 78701
512-487-3945
(Fax) 512-487-3958

Scott Olson
Duggins Wren Mann &
Romero, LLP
600 Congress, 19th Floor
Austin, Texas 78701
(512) 744-9300
(512) 744-9399 (Fax)

Inquiries and pleadings concerning this Petition should be directed to the following representatives:

Scott Olson
Duggins Wren Mann & Romero, LLP
600 Congress, 19th Floor
Austin, Texas 78701
(512) 744-9300
(512) 744-9399 (Fax)

II. Jurisdiction

ETI is an electric utility, as the Public Utility Regulatory Act¹ § 31.002(6) defines that term, and ETI or any successor wires company is the servicer of the Transition Bonds issued pursuant to the Financing Order in Docket No. 33586 (the “Financing Order”). Further, the Commission has jurisdiction over the Company’s Non-standard True-up filing pursuant to Sections 39.003, 39.307, and 39.460 of PURA. This filing is made in compliance with Findings of Fact 86-88 and Ordering Paragraph 13 of the Financing Order. The Non-standard True-up will affect amounts billed for energy consumption and demand of retail customers taking service from the Company and any successor wires company and to the facilities, premises and loads of such retail customers.

III. Background

On April 2, 2007, the Commission approved the Financing Order (as later corrected on April 23, 2007), which authorized the issuance of Transition Bonds in an amount not to exceed

¹ TEX. UTIL. CODE ANN. §§ 11.001 – 58.303 (VERNON 2007 and SUPP. 2015) (“PURA”).

\$321,359,480 and the recovery of costs associated with such bonds. ETI issued Transition Bonds pursuant to the Financing Order on June 29, 2007 and began billing Hurricane Reconstruction Costs (“HRC”) Charges on June 29, 2007.

The Financing Order provides that retail electric customers must pay the principal, interest and related costs of the Transition Bonds through HRC Charges, pursuant to the form of tariff approved in the Financing Order. The Financing Order establishes how the annual costs permitted to be recovered through HRC rates are allocated among HRC rate classes. In Findings of Fact 86-88, the Financing Order also sets out a procedure for adjusting the HRC rates to each HRC rate class if the forecasted billing units for any one of the classes for an upcoming period decrease by more than 10% compared to the billing units established for the annual period ending December 31, 2004. This procedure is called the Non-standard True-up. The billing units for the Period 10 billing period (July 2016 – June 2017) for the Experimental Economic As-Available Power Service (“EAPS”) rate class are forecasted to decrease by more than 10% compared to the billing units established for the annual period ending December 31, 2004. Therefore, ETI proposes that the HRC rates to be applied during 2016 and 2017 be adjusted pursuant to the Non-standard True-up provision of the Financing Order.

IV. Required Showing

Finding of Fact No. 88 in the Financing Order requires ETI to make the Non-standard True-up filing at least 90 days before the proposed true-up adjustment is to take effect. ETI proposes that the adjustment be effective for bills rendered beginning on June 29, 2016, which is the date upon which the bills for the first cycle for the month of July 2016 will be rendered, so that the HRC rates applied to the various retail customer classes will reflect the allocation contemplated by the Non-standard True-up provisions of the Financing Order.

The proposed HRC rates are set out in proposed revised Schedule HRC — Attachment A, Initial or Adjusted Hurricane Reconstruction Costs Rates, which is attached hereto as Appendix A, and application of those rates is also governed by Schedule HRC, Hurricane Reconstruction Costs, which is unchanged. Calculation of the HRC rates is addressed in the Direct Testimony of Mr. Kevin N. Tessitore, which is attached to this Petition.

As shown in the Direct Testimony and exhibits of Mr. Tessitore, the justification for applying the Non-standard True-up is that the billing units for the EAPS rate class are projected

to be more than 10% below the billing units for that class for the 12 months ended December 31, 2004 (*i.e.*, the non-standard true-up threshold). Pursuant to Finding of Fact 86 of the Financing Order, such a decrease in forecasted billing units by one or more customer classes requires application of a Non-standard True-up.

Additional support for the filing is contained in the testimony and exhibits of Mr. Tessitore. For convenience, Appendix B contains the referenced Findings of Facts and Ordering Paragraphs from the Financing Order.

V. Scope of Proceeding, Procedural Schedule

Finding of Fact No. 88 of the Financing Order states that the scope of the proceeding is limited to determining whether the proposed adjustment complies with the Financing Order. That finding also directs the Commission to conduct a contested case proceeding pursuant to PURA § 39.003. Finding of Fact No. 88 further contemplates that this proceeding will be concluded within 90 days.² Consistent with the Financing Order and the procedural schedules that have been adopted in ETI’s prior Schedule HRC Non-standard True-up proceedings, ETI proposes the following procedural schedule:³

Deadline for intervention	May 2, 2016
Deadline to request a hearing	May 9, 2016
If a hearing is not requested, parties to submit Stipulation/Proposed Findings of Fact and Conclusions of Law. If hearing is requested, parties to submit a proposed procedural schedule.	May 16, 2016

VI. Notice

Pursuant to Ordering Paragraph 13 and FoF 88(b), ETI is notifying the parties to Docket No. 33586 and Staff of this filing by providing them with a copy of this filing.

VII. Protective Order

ETI requests that the Commission’s Standard Protective Order be issued in this proceeding.

² FoF 88 provides that “[t]he Commission will issue a final order by the proposed true-up adjustment date stated in the non-standard true-up filing,” which filing must be made at least 90 days before the date of the proposed true-up adjustment.

³ See, e.g., Docket No. 44603, *Non-standard True-up Filing of Entergy Texas, Inc. Pursuant to the Financing Order in Docket No. 33586*, Order No. 2 (April 24, 2015).

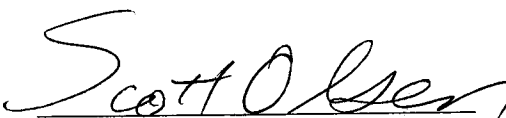
VIII. Requested Relief

With the exception of the rates, the tariff set out in Appendix A has been approved by the Commission. ETI requests the Commission to approve the HRC rates set out in Schedule HRC — Attachment A, Initial or Adjusted Hurricane Reconstruction Costs Rates. ETI anticipates that, effective with the first billing cycle for July 2016, the tariff in this filing will supersede the Schedule HRC — Attachment A approved in Docket No. 44603.

ETI also requests that (1) a procedural schedule be established leading to Commission approval of the requested rates within 90 days, (2) the notice proposed by the Company be approved as to form, content and proposed distribution, (3) the requested Protective Order be issued, (4) the tariff attached as Appendix A be approved, and (5) ETI be granted such other relief to which the Commission deems ETI to be entitled.

Dated: March 31, 2016.

RESPECTFULLY SUBMITTED,

By: 

Scott Olson
State Bar No. 24013266

Steven H. Neinast
Entergy Services, Inc.
919 Congress Avenue, Suite 701
Austin, Texas 78701
512-487-3945
(Fax) 512-487-3958

Scott Olson
Duggins Wren Mann & Romero, LLP
600 Congress, 19th Floor
Austin, Texas 78701
(512) 744-9300
(512) 744-9399 (Fax)

ATTORNEYS FOR
ENTERGY TEXAS, INC.

ENTERGY TEXAS, INC.

SCHEDULE HRC - ATTACHMENT A

INITIAL OR ADJUSTED HURRICANE RECONSTRUCTION COSTS RATES

I. RATE CLASSES

For purposes of determining and billing Initial or Adjusted Hurricane Reconstruction Costs Rates, each end-use customer will be designated as a customer belonging to one of nine classes as identified and defined in § V of Rate Schedule HRC.

II. NET MONTHLY RATE

The Initial or Adjusted HRC Rates shall be determined in accordance with and are subject to the provisions set forth in Rate Schedule HRC. Not less than 15 days prior to the first billing cycle for the Company's July 2008 billing month and no less frequently than annually thereafter, the Company or successor Servicer will file a Revision to Schedule HRC, Attachment A setting forth the Adjusted HRC Rates to be effective for the upcoming period. If made as a result of the standard true-up adjustment in Rate Schedule HRC, the Adjusted HRC Rates will become effective on the first billing cycle of the Company's July billing month. If an interim true-up adjustment is made pursuant to Rate Schedule HRC, the Adjusted HRC Rates will become effective on the first billing cycle of the Company's billing month that is not less than 15 days following the making of the interim true-up adjustment filing. If a Non-Standard True-Up filing pursuant to Rate Schedule HRC is made to revise the Initial or Adjusted HRC Rates, the filing will be made at least 90 days prior to the first billing cycle for the Company's July billing month. Amounts billed pursuant to this schedule are not subject to Rider IHE or State and local sales tax.

<u>HRC Rate Class</u>	<u>Initial or Adjusted HRC Rates</u>		
Residential	\$0.00340	per kWh	R
Small General Service	\$0.00419	per kWh	R
General Service	\$0.00234	per kWh	R
Large General Service	\$0.00154	per kWh	I
Large Industrial Power Service	\$0.09679	per kW	R
Interruptible Service	\$0.02607	per kW	I
Experimental Economic As-Available Power Service	\$0.00000	per kWh	
Standby and Maintenance Service	\$0.01682	per kW	R
Street and Outdoor Lighting	\$0.01401	per kWh	R

The Initial or Adjusted HRC Rates are multiplied by the kWh or kW as applicable, read, estimated or determined during the billing month and will be applied to bills rendered on and after the effective date.

DOCKET NO. 33586

**APPLICATION OF ENTERGY § PUBLIC UTILITY COMMISSION
GULF STATES, INC. FOR A §
FINANCING ORDER § OF TEXAS**

FINANCING ORDER

This Financing Order addresses the application of Entergy Gulf States, Inc. (EGSI or the Company) under Subchapters G and J of Chapter 39 of the Public Utility Regulatory Act¹ (PURA): (1) to securitize the sum of hurricane reconstruction costs as determined by the Commission in Docket No. 32907,² carrying costs as applicable on the hurricane reconstruction costs through the issuance of the transition bonds, and other qualified costs, adjusted to reflect the benefit of accumulated deferred federal income taxes (ADFIT) as determined in this Financing Order; (2) for approval of the proposed securitization financing structure and issuance of transition bonds; (3) for approval of transition charges sufficient to recover qualified costs; and (4) for approval of a tariff to implement the transition charges.

As discussed in this Financing Order, the Commission finds that EGSI's application for approval of the securitization transaction should be approved as modified by this Financing Order. The Commission also finds that the securitization approved in this Financing Order meets all applicable requirements of PURA. Accordingly, in accordance with the terms of this Financing Order, the Commission: (1) approves the securitization requested by EGSI; (2) authorizes the issuance of transition bonds in one or more series in an aggregate principal amount not to exceed the sum of (a) \$321,359,480 of hurricane reconstruction costs pursuant to the Commission's Order in Docket No. 32907 (32907 Order) (which amount includes carrying costs in the amount of

¹ TEX. UTIL. CODE ANN. §§ 11.001-64.158 (Vernon 1998 & Supp. 2006).

² *Application of Entergy Gulf States, Inc. for Determination of Hurricane Reconstruction Costs*, Docket No. 32907 (Dec. 1, 2006).

amounts in respect of the transition bonds during the current or next succeeding payment period and/or (ii) to replenish any draws upon the capital subaccount.

85. In the event an interim true-up is necessary, the interim true-up adjustment should be filed not less than 15 days prior to the first billing cycle of the month in which the revised transition charges will be in effect. In no event would such interim true-up adjustments occur more frequently than every three months if quarterly transition bond payments are required or every six months if semi-annual transition bond payments are required; provided, however, that interim true-up adjustments for any transition bonds remaining outstanding after the expected final maturity date of the last bond tranche or class shall occur quarterly.

13. Non-Standard True-Up

86. A non-standard true-up procedure will be applied if the forecasted billing units for one or more of the transition charge customer classes for an upcoming period decreases by more than 10% compared to the billing units (known as the threshold billing units), shown in Appendix D to this Financing Order.
87. In conducting the non-standard true-up the servicer will:
- (a) allocate the upcoming period's PBR based on the PBRAFs approved in Docket No. 32907;
 - (b) calculate undercollections or overcollections, including without limitation any caused by REP defaults, if applicable, from the preceding period in each class by subtracting the previous period's transition charge revenues collected from each class from the PBR determined for that class for the same period;
 - (c) sum the amounts allocated to each customer class in steps (a) and (b) to determine an adjusted PBR for each transition charge customer class;
 - (d) divide the PBR for each customer class by the maximum of the forecasted billing units or the threshold billing units for that class, to determine the "threshold rate;"

- (e) multiply the threshold rate by the forecasted billing units for each class to determine the expected collections under the threshold rate;
 - (f) allocate the difference in the adjusted PBR and the expected collections calculated in step (e) among the transition charge customer classes by using the PBRAFs approved in Docket No. 32907;
 - (g) add the amount allocated to each class in step (f) above to the expected collection amount by class calculated in step (e) above to determine the final Periodic Billing Requirement for each class; and
 - (h) divide the final PBR for each class by the forecasted billing units to determine the transition charge rate by class for the upcoming period.
88. A proceeding for the purpose of approving a non-standard true-up should be conducted in the following manner:
- (a) The servicer will make a "non-standard true-up filing" with the Commission at least 90 days before the date of the proposed true-up adjustment. The filing will contain the proposed changes to the transition charge rates, justification for such changes as necessary to specifically address the cause(s) of the proposed non-standard true-up, and a statement of the proposed effective date.
 - (b) Concurrently with the filing of the non-standard true-up with the Commission, the servicer will notify all parties in this docket of the filing of the proposal for a non-standard true-up.
 - (c) The servicer will issue appropriate notice and the Commission will conduct a contested case proceeding on the non-standard true-up proposal pursuant to PURA § 39.003.

The scope of the proceeding will be limited to determining whether the proposed adjustment complies with this Financing Order. The Commission will issue a final order by the proposed true-up adjustment date stated in the non-standard true-up filing. In the event that the Commission cannot issue an order by that date, the servicer will be permitted to implement its proposed changes. Any modifications subsequently ordered by the Commission will be made by the servicer in the next true-up filing.

10. **Collection Period.** The transition charges related to a series of transition bonds shall be designed to be collected over the expected 14-year life of the transition bonds. However, to the extent that any amounts are not recovered at the end of this 14-year period, EGSI may continue to recover them over a period ending not more than 15 years from the date of issuance of that series of transition bonds. Amounts remaining unpaid after this 15-year period may be recovered but only to the extent that the charges are attributable to services rendered during the 15-year period.
11. **Allocation.** EGSI shall allocate the transition charges among consumer classes in the manner described in this Financing Order.
12. **Nonbypassability.** EGSI and any other entity providing electric transmission or distribution services and any REP providing services to any retail consumer within EGSI's certificated Texas service area as it existed on the date this Financing Order is issued are entitled to collect and must remit, consistent with this Financing Order, the transition charges from such retail consumers including certain retail consumers that switch to certain new on-site generation, and such retail consumers are required to pay such transition charges. The Commission will ensure that such obligations are undertaken and performed by EGSI, any other entity providing electric transmission or distribution services within EGSI's certificated Texas service area as of the date this Financing Order is issued and any REP providing services to any retail consumer within such certificated service area.
13. **True-Ups.** True-ups of the transition charges, including non-standard true-ups, shall be undertaken and conducted as described in Schedule HRC. The servicer shall file the true-up adjustments in a compliance docket and shall give notice of the filing to all parties in this docket.
14. **Ownership Notification.** Any entity that bills transition charges to retail consumers shall, at least annually, provide written notification to each retail consumer for which the entity bills transition charges that the transition charges are the property of BondCo and not of the entity issuing such bill.

STATE OF LOUISIANA §
§
PARISH OF ORLEANS §

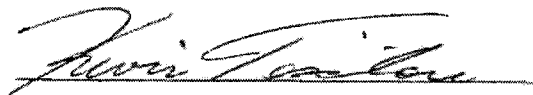
AFFIDAVIT OF KEVIN N. TESSITORE

The undersigned, Kevin N. Tessitore, being first duly sworn on oath, states as follows:

1. My name is Kevin N. Tessitore. I am a Senior Regulatory Analyst in the Fuel and Special Riders department for Entergy Services, Inc. My business address is 639 Loyola Avenue, New Orleans, Louisiana 70113. I am over the age of twenty-one years, am of sound mind, am competent to make this Affidavit, and have personal knowledge of the statements herein. The statements herein are true and correct, and I am authorized to make them to the Public Utility Commission of Texas in connection with the *Non-Standard True-Up Filing of Entergy Texas, Inc. Pursuant to the Financing Order in Docket No. 33586.*
2. I am responsible for, among other materials, the following exhibits and workpapers to the filing package accompanying Entergy Texas, Inc.'s ("ETI") application in the above-styled proceeding.
 - Exhibit KNT-1, which contains commercially sensitive financial forecast information relating to the calculation of ETI's hurricane reconstruction cost charges.
 - WP/Exhibit KNT-1, Workpaper 4, which contains commercially sensitive financial forecast information relating to the calculation of ETI's hurricane reconstruction cost charges.
3. This type of forecast information is maintained confidentially by ETI, is not made available for public disclosure, and, even within ETI, is only made available for review by those employees whose job duties required knowledge of forecast financial information. This forecast financial information should be maintained as highly sensitive

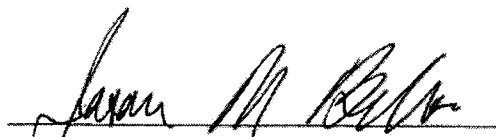
information in this case because it is commercially sensitive financial information and public disclosure of the information could lead to an unreasonable risk of competitive harm to ETI.

Further Affiant sayeth not.



Kevin N. Tessitore

SUBSCRIBED AND SWORN TO BEFORE ME by the said Kevin N. Tessitore on the 31st day of March, 2016.



Notary Public

State of Louisiana

My Commission Expires: Upon death

Jason M. Bilbe
State of Louisiana - Bar No. 24965
My commission is issued for life

DOCKET NO. _____

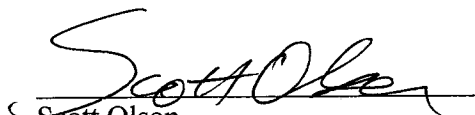
NON-STANDARD TRUE-UP FILING OF	§	BEFORE THE
ENTERGY TEXAS, INC. PURSUANT	§	PUBLIC UTILITY COMMISSION
TO THE FINANCING ORDER IN	§	OF TEXAS
DOCKET NO. 33586	§	

**STATEMENT UNDER SECTION 4
OF STANDARD PROTECTIVE ORDER**

The undersigned attorney for Entergy Texas, Inc. ("ETI") submits this statement under Section 4 of the Standard Protective Order adopted in this case.

As set forth in the affidavit of Kevin N. Tessitore that is included as part of the filing package in this case, certain exhibits and workpapers included in ETI's petition contain information that is commercially sensitive. As Mr. Tessitore explains in his affidavit, the public disclosure of this information would cause harm to ETI. As such, these materials are protected under TEX. GOV'T CODE §§ 552.101, 552.104, and 552.110 and TEX. UTIL. CODE § 39.001(b)(4).

I have reviewed the information sufficiently to state in good faith that the information is exempt from public disclosure under the Public Information Act and merits the Highly Sensitive Protected Materials (Highly Confidential) designation it is given in ETI's filing.



Scott Olson
Duggins Wren Mann & Romero, LLP
600 Congress, 19th Floor
Austin, Texas 78701
(512) 744-9300
(512) 744-9399 (Fax)

ATTORNEYS FOR
ENTERGY TEXAS, INC.

DOCKET NO. _____

NON-STANDARD TRUE-UP FILING
OF ENTERGY TEXAS, INC.
PURSUANT TO THE FINANCING
ORDER IN DOCKET NO. 33586

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BEFORE THE
PUBLIC UTILITY COMMISSION
OF TEXAS

DIRECT TESTIMONY
OF
KEVIN N. TESSITORE
ON BEHALF OF
ENTERGY TEXAS, INC.

MARCH 2016

DOCKET NO. _____

NON-STANDARD TRUE-UP FILING OF ENTERGY TEXAS, INC.
PURSUANT TO THE FINANCING ORDER IN DOCKET NO. 33586

DIRECT TESTIMONY OF KEVIN N. TESSITORE

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EXHIBITS

Exhibit KNT-1	Calculation of the Proposed HRC Charges
Exhibit KNT-2	Rate Comparison
Exhibit KNT-3	Proposed HRC Rates (Schedule HRC — Attachment A)

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I. INTRODUCTION

Q. PLEASE STATE YOUR NAME, POSITION AND BUSINESS ADDRESS.

A. My name is Kevin N. Tessitore. I am a Senior Regulatory Analyst in the Fuel and Special Riders Department for Entergy Services, Inc (“ESI”). My business address is 639 Loyola Avenue, New Orleans, Louisiana 70113.

Q. WHAT ARE YOUR CURRENT JOB RESPONSIBILITIES?

A. My current responsibilities include supporting ongoing regulatory filings, including storm cost securitization true-up filings, for the Entergy Operating Companies. This work includes the preparation of Non-standard True-up calculations for Entergy Texas, Inc.’s (“ETI”) Hurricane Reconstruction Costs Schedule (“Schedule HRC”).

Q. PLEASE DESCRIBE YOUR EDUCATIONAL AND PROFESSIONAL EXPERIENCE.

A. In 1996 I graduated from the University of Louisiana at Lafayette with a Bachelor of Science Degree in Business Administration and a Major in Accounting. In 1997, I was hired by ESI to work in the accounting department. During my time in accounting I worked in several groups including property, revenue and source systems accounting. My main role in these groups was to complete general accounting functions, provide analysis and implement systems. In 2000 I became a licensed CPA in the state of Louisiana. In 2004 I graduated from Tulane University with a Masters in

1 Business Administration. In 2005 I accepted a position in the Louisiana
2 Regulatory Affairs department where my main role was helping the Louisiana
3 Operating Companies prepare and prosecute regulatory proceedings. In
4 2014, I accepted a position in the Fuel and Special Riders Department.

5

6

II. PURPOSE OF TESTIMONY

7 Q. PLEASE EXPLAIN THE PURPOSE OF YOUR TESTIMONY IN THIS FILING.

8 A. The purpose of my testimony in this filing is to: (1) support the calculation of
9 Schedule HRC Rates by HRC Rate Class pursuant to the Non-standard True-
10 up provisions as approved in the Financing Order in Docket No. 33586,
11 Findings of Fact ("FoF") 86 through 88, and (2) support the Schedule HRC —
12 Attachment A accompanying this filing.

13

14 Q. WHAT RELIEF IS THE COMPANY REQUESTING IN THIS FILING?

15 A. The Company is requesting approval of its revised Schedule HRC —
16 Attachment A effective on and after the first billing cycle for July 2016, which
17 begins June 29, 2016.

18

III. BACKGROUND

19 Q. PLEASE PROVIDE A BRIEF DESCRIPTION OF SCHEDULE HRC.

20 A. On December 8, 2006, ETI (a successor in interest to Entergy Gulf States,
21 Inc.) filed its application for a financing order under Subchapters G and J of
22 Chapter 39 of the Public Utility Regulatory Act ("PURA") to permit

1 securitization of hurricane reconstruction costs and other qualified costs as
2 described in its application. That proceeding was assigned Docket
3 No. 33586. On April 2, 2007, the Commission issued a final order, as
4 corrected on April 23, 2007 ("Financing Order"), that authorized the issuance
5 of Transition Bonds in an amount not to exceed \$321,359,480, and the
6 recovery of costs associated with such bonds through HRC Charges.
7 Subsequently, ETI caused the Transition Bonds to be issued and began
8 billing HRC Charges on June 29, 2007, pursuant to the Financing Order in
9 Docket No. 33586.

10 The current filing is being made to comply with the procedures in the
11 Financing Order for making a Non-standard True-up that require such filings
12 to be made at least 90 days in advance of the proposed effective date of the
13 revised Schedule HRC reflecting the revenues contained in the Non-standard
14 True-up. The current filing is being made more than 90 days prior to the first
15 billing cycle for July 2016 so that the HRC rates applied to each HRC rate
16 class will reflect the allocation contemplated by the Non-standard True-up
17 provisions of the Financing Order.

18
19 **IV. NON-STANDARD TRUE-UP**

20 Q. WHAT IS THE NON-STANDARD TRUE-UP ADJUSTMENT?

21 A. FoF 86 of the Financing Order states that a Non-standard True-up adjustment
22 will be applied if the forecasted billing units for one or more of the HRC rate
23 classes for an upcoming HRC period decrease by more than 10% compared

1 to the billing units for the 12 months ending December 31, 2004 (known as
2 the threshold billing units). FoFs 87 and 88 set forth a Non-standard True-up
3 adjustment procedure for adjusting the HRC rates for each HRC rate class
4 and the process to be followed in making a Non-standard True-up filing.

5

6 Q. WHY IS THE NON-STANDARD TRUE-UP ADJUSTMENT NEEDED AT THIS
7 TIME?

8 A. The billing units for the Period 10 HRC period (July 2016 through June 2017)
9 for the Experimental Economic As-Available Power Service ("EAPS") rate
10 class are forecasted to be less than the threshold billing determinants, as
11 shown in Appendix D to the Financing Order. Therefore, in accordance with
12 FoF 86 of the Financing Order, the HRC rates proposed to be effective with
13 the July 2016 billing cycle are adjusted pursuant to the Non-standard True-up
14 provisions of the Financing Order.

15

16 Q. HOW IS THE NON-STANDARD TRUE-UP ADJUSTMENT CALCULATED?

17 A. As prescribed in FoF 87 and Schedule HRC, the Non-standard True-up is to
18 be calculated in the following manner:

- 19 a. allocate the upcoming period's Periodic Billing Requirement ("PBR")
20 based on the PBR Allocation Factors ("PBR AF") approved in Docket
21 No. 32907;
- 22 b. calculate under-collections or over-collections, including without
23 limitation any caused by Retail Electric Provider defaults, if applicable,
24 from the preceding period in each class by subtracting the previous
25 period's transition charge revenues collected from each class from the
26 PBR determined for that class for the same period;

- 1 c. sum the amounts allocated to each customer class in steps (a) and (b)
2 to determine an adjusted PBR for each transition charge customer
3 class;
- 4 d. divide the PBR for each customer class by the maximum of the
5 forecasted billing units or the threshold billing units for that class, to
6 determine the "threshold rate";
- 7 e. multiply the threshold rate by the forecasted billing units for each class
8 to determine the expected collections under the threshold rate;
- 9 f. allocate the difference in the adjusted PBR and the expected
10 collections calculated in step (e) among the transition charge customer
11 classes by using the PBRAFs approved in Docket No. 32907;
- 12 g. add the amount allocated to each class in step (f) above to the
13 expected collection amount by class calculated in step (e) above to
14 determine the final PBR for each class; and
- 15 h. divide the final PBR for each class by the forecasted billing units to
16 determine the transition charge rate by class for the upcoming period.

17 The calculation of the proposed HRC rates, detailed in Highly Sensitive
18 Exhibit KNT-1 to this testimony complies with the provisions of the Financing
19 Order and Schedule HRC detailed above.

20

21 Q. EXPLAIN HOW THE PBR WAS CALCULATED IN THE CURRENT FILING.

22 A. The PBR for Period 10 is \$35,392,464. This amount corresponds to the
23 actual interest rates and other factors known at issuance on June 29, 2007
24 and includes class-specific over/under collections with an aggregate over-
25 collection of \$639,458. Consistent with FoF 65, the aggregate over-collection
26 was netted against an Excess Funds Subaccount balance of \$625,323 (as of
27 April 1, 2016, as shown on the March 25, 2016 Semi-Annual
28 Servicer's Certificate), and the resulting net Excess Fund Subaccount

1 balance was applied in calculating the initial Period 10 PBR.¹ Then the initial
2 Period 10 PBR was adjusted on a class-specific basis by the class-specific
3 over/under-collection to calculate the Adjusted Period 10 PBR.² Finally, the
4 Adjusted Period 10 PBR was adjusted for uncollectibles, resulting in a final
5 Period 10 PBR of \$35,392,464.³
6

7 Q. EXPLAIN THE PROJECTED BILLING UNITS USED IN THE CURRENT
8 FILING.

9 A. ESI's Forecasting Section forecasts monthly kWh sales by revenue class in
10 support of ETI's business planning process. The forecasted revenue class
11 kWh sales are allocated to the HRC rate classes based on historic revenue
12 class and rate class relationships. For HRC rate classes that require
13 forecasted kW rather than kWh, the historic relationship of kW and kWh for
14 those classes was utilized to calculate the required kW.
15

16 Q. HOW DO THE HRC RATES CHANGE FROM THE PREVIOUS FILING?

17 A. HRC Rates are generally lower in this filing as compared to the March 2015
18 Non-Standard True-up. The rate decreases are driven primarily by an
19 increase in the forecasted billing units for period 10 compared to period 9 with
20 the exception of the Large General Service and Interruptible rate classes,
21 which are slightly higher due to decreased forecasted billing units. For EAPS,

¹ See Exhibit KNT-1 column (1) and WP/Exhibit KNT -1, Workpaper 2, Page 4 of 4.

² See Exhibit KNT-1 columns (2) and (3).

³ See Exhibit KNT-1 columns (4) and (5).

1 the rate remains \$.00000 because there is no forecasted usage. Please see
2 Exhibit KNT-2 for the Period 9 and Period 10 rate comparison.

3

4

V. PROPOSED TARIFF

5 Q. HAVE YOU PROVIDED A REVISED TARIFF REFLECTING THE
6 NON-STANDARD TRUE-UP CALCULATION OF HRC CHARGES?

7 A. Yes. Exhibit KNT-3 contains the proposed Schedule HRC – Attachment A,
8 which has been marked showing the changes from the current Schedule HRC
9 — Attachment A.

10

11 Q. WHAT CHANGES ARE PROPOSED FOR SCHEDULE HRC –
12 ATTACHMENT A?

13 A. The rates are changed as indicated with margin notations on Exhibit KNT-3.
14 An effective date of June 29, 2016 has been added to the header on
15 the page.

16

17

VI. CONCLUSION

18 Q. WHAT RELIEF IS THE COMPANY REQUESTING IN THIS PROCEEDING?

19 A. The Company is requesting that Schedule HRC – Attachment A contained in
20 Exhibit KNT-3 be approved effective with the first billing cycle of July 2016
21 (June 29, 2016).

1 Q. HAVE THE REQUESTED HRC RATES BY HRC RATE CLASS BEEN
2 CALCULATED IN A MANNER CONSISTENT WITH THE FINANCING
3 ORDER REQUIREMENTS?

4 A. Yes.

5

6 Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?

7 A. Yes.

**This page replaces
HIGHLY SENSITIVE
Exhibit KNT-1
Page 1 of 1
Filed Separately Under Seal**

ENERGY TEXAS, INC
Functionalization and Allocation of Payments - October 2016 and April 2017
Billing Period 10 - Texas Retail by Class

	Texas Retail									
	<u>IX Retail</u>	<u>RES</u>	<u>SGS</u>	<u>GS</u>	<u>LGS</u>	<u>LIPS</u>	<u>IS</u>	<u>EAPS</u>	<u>SMS</u>	<u>LTG</u>
Production										
Texas Retail Allocation Factors *	100.0000%	42.1342%	2.2260%	19.4782%	7.0323%	24.2677%	1.4286%	1.6456%	1.4098%	0.3776%
Related Storm Costs	5,107,465									
Total Storm Costs	393,236,384									
Ratio of Related Storm Costs	1.2988%									
Annual Levelized Payment **	35,914,469									
Payment Allocated to Prod	466,467	196,542	10,383	90,859	32,804	113,201	6,664	7,676	6,576	1,761
Transmission										
Texas Retail Allocation Factors *	100.0000%	44.1551%	2.3289%	19.9375%	6.9826%	22.2575%	0.9543%	1.6104%	1.4118%	0.3620%
Related Storm Costs	36,695,042									
Total Storm Costs	393,236,384									
Ratio of Related Storm Costs	9.3315%									
Annual Levelized Payment **	35,914,469									
Payment Allocated to Trans	3,351,376	1,479,802	78,050	668,181	234,012	745,931	31,982	53,970	47,315	12,132
Distribution										
Texas Retail Allocation Factors *	100.0000%	58.5687%	4.8511%	25.0099%	6.1482%	1.2080%	0.0000%	0.0000%	0.1678%	4.0463%
Related Storm Costs	350,289,652									
Total Storm Costs	393,236,384									
Ratio of Related Storm Costs	89.0786%									
Annual Levelized Payment **	35,914,469									
Payment Allocated to Distrib	31,992,123	18,737,374	1,551,975	8,001,189	1,966,955	386,456	0	0	53,667	1,294,507
Net General Plant										
Texas Retail Allocation Factors *	100.0000%	51.8429%	3.8699%	18.9575%	5.9117%	14.7757%	0.7624%	0.8533%	0.9355%	1.9911%
Related Storm Costs	1,144,225									
Total Storm Costs	393,236,384									
Ratio of Related Storm Costs	0.2910%									
Annual Levelized Payment **	35,914,469									
Payment Allocated to Other	104,502	54,177	4,044	19,811	6,178	15,441	797	996	978	2,081
Total Payments**	35,914,469	20,467,895	1,644,453	8,780,040	2,239,949	1,261,030	39,443	62,643	106,536	1,310,480

* Source of Texas Retail Allocation Factors - Final Order, Docket No. 32907
 ** Payment shown on Attached Payment Schedule

ENERGY TEXAS, INC.
 HURRICANE RECONSTRUCTION BOND PAYMENT SCHEDULE
 BILLING PERIOD 10 RATE DEVELOPMENT

Coupon Yield	5.510%	5.790%	5.930%
	5.508%	5.791%	5.928%

Date	Balance			Interest			Principal			P-H Tranche1	P-H Tranche2	P-H Tranche3	Total Payment Due
	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3				
6/29/2007	93,500,000	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2007	93,500,000	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2007	93,500,000	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
11/1/2007	93,500,000	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2007	93,500,000	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2008	93,500,000	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2008	93,500,000	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2008	93,500,000	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2008	93,500,000	121,600,000	114,400,000	3,892,509	5,319,595	5,125,628	11,059,104	-	-	-	-	-	-
5/1/2008	82,440,896	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2008	82,440,896	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2008	82,440,896	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2008	82,440,896	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2008	82,440,896	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2008	82,440,896	121,600,000	114,400,000	2,271,247	3,520,320	3,391,960	7,996,827	-	-	-	-	-	-
11/1/2008	74,444,069	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2008	74,444,069	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2009	74,444,069	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2009	74,444,069	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2009	74,444,069	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2009	74,444,069	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
5/1/2009	65,291,303	121,600,000	114,400,000	2,050,934	3,520,320	3,391,960	9,152,766	-	-	-	-	-	-
6/1/2009	65,291,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2009	65,291,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2009	65,291,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2009	65,291,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2009	65,291,303	121,600,000	114,400,000	1,798,775	3,520,320	3,391,960	8,563,517	-	-	-	-	-	-
11/1/2009	56,727,786	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2009	56,727,786	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2010	56,727,786	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2010	56,727,786	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2010	56,727,786	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2010	56,727,786	121,600,000	114,400,000	1,562,851	3,520,320	3,391,960	9,546,631	-	-	-	-	-	-
5/1/2010	47,181,156	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2010	47,181,156	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2010	47,181,156	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2010	47,181,156	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2010	47,181,156	121,600,000	114,400,000	1,299,841	3,520,320	3,391,960	9,029,409	-	-	-	-	-	-
10/1/2010	47,181,156	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
11/1/2010	38,151,747	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2010	38,151,747	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2011	38,151,747	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2011	38,151,747	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2011	38,151,747	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2011	38,151,747	121,600,000	114,400,000	1,051,081	3,520,320	3,391,960	10,091,443	-	-	-	-	-	-

Date	Balance			Interest			Principal			P+I Tranche1	P+I Tranche2	P+I Tranche3	Total Payment Due
	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3				
5/1/2011	28,060,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2011	28,060,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2011	28,060,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2011	28,060,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2011	28,060,303	121,600,000	114,400,000	773,061	3,520,320	3,391,960	9,566,182	-	10,339,243	3,520,320	3,391,960	17,251,523	-
10/1/2011	28,060,303	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
11/1/2011	18,494,121	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2011	18,494,121	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2012	18,494,121	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2012	18,494,121	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2012	18,494,121	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2012	18,494,121	121,600,000	114,400,000	509,513	3,520,320	3,391,960	10,623,017	-	11,132,530	3,520,320	3,391,960	18,044,810	-
5/1/2012	7,871,104	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2012	7,871,104	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2012	7,871,104	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2012	7,871,104	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2012	7,871,104	121,600,000	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2012	7,871,104	121,600,000	114,400,000	216,849	3,520,320	3,391,960	7,871,104	2,259,400	8,087,953	5,779,720	3,391,960	17,259,634	-
11/1/2012	-	119,340,600	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2012	-	119,340,600	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2013	-	119,340,600	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2013	-	119,340,600	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2013	-	119,340,600	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2013	-	119,340,600	114,400,000	-	3,454,910	3,391,960	-	11,189,830	-	14,644,740	3,391,960	18,036,700	-
5/1/2013	-	108,150,770	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2013	-	108,150,770	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2013	-	108,150,770	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2013	-	108,150,770	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2013	-	108,150,770	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2013	-	108,150,770	114,400,000	-	3,130,965	3,391,960	-	10,736,864	-	13,867,828	3,391,960	17,259,788	-
11/1/2013	-	97,413,906	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2013	-	97,413,906	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2014	-	97,413,906	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2014	-	97,413,906	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2014	-	97,413,906	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2014	-	97,413,906	114,400,000	-	2,820,133	3,391,960	-	11,824,453	-	14,644,585	3,391,960	18,036,545	-
5/1/2014	-	85,589,454	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2014	-	85,589,454	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2014	-	85,589,454	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2014	-	85,589,454	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2014	-	85,589,454	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2014	-	85,589,454	114,400,000	-	2,477,815	3,391,960	-	11,395,779	-	13,873,594	3,391,960	17,265,554	-
11/1/2014	-	74,193,674	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2014	-	74,193,674	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2015	-	74,193,674	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2015	-	74,193,674	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2015	-	74,193,674	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2015	-	74,193,674	114,400,000	-	2,147,907	3,391,960	-	12,490,913	-	14,638,820	3,391,960	18,030,780	-
5/1/2015	-	61,702,761	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2015	-	61,702,761	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2015	-	61,702,761	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2015	-	61,702,761	114,400,000	-	-	-	-	-	-	-	-	-	-

Date	Balance			Interest			Principal			P+I Tranche1	P+I Tranche2	P+I Tranche3	Total Payment Due
	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3				
9/1/2015	-	61,702,761	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2015	-	61,702,761	114,400,000	-	1,786,295	3,391,960	12,088,957	-	-	13,875,252	3,391,960	-	17,267,212
11/1/2015	-	49,613,805	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2015	-	49,613,805	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2016	-	49,613,805	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2016	-	49,613,805	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2016	-	49,613,805	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2016	-	49,613,805	114,400,000	-	1,436,320	3,391,960	13,200,842	-	-	14,637,162	3,391,960	-	18,029,122
5/1/2016	-	36,412,962	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2016	-	36,412,962	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2016	-	36,412,962	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2016	-	36,412,962	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2016	-	36,412,962	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2016	-	36,412,962	114,400,000	-	1,054,155	3,391,960	12,829,230	-	-	13,883,385	3,391,960	-	17,275,345
11/1/2016	-	23,583,733	114,400,000	-	-	-	-	-	-	-	-	-	-
12/1/2016	-	23,583,733	114,400,000	-	-	-	-	-	-	-	-	-	-
1/1/2017	-	23,583,733	114,400,000	-	-	-	-	-	-	-	-	-	-
2/1/2017	-	23,583,733	114,400,000	-	-	-	-	-	-	-	-	-	-
3/1/2017	-	23,583,733	114,400,000	-	-	-	-	-	-	-	-	-	-
4/1/2017	-	23,583,733	114,400,000	-	682,749	3,391,960	13,946,280	-	-	14,629,029	3,391,960	-	18,020,989
5/1/2017	-	9,637,453	114,400,000	-	-	-	-	-	-	-	-	-	-
6/1/2017	-	9,637,453	114,400,000	-	-	-	-	-	-	-	-	-	-
7/1/2017	-	9,637,453	114,400,000	-	-	-	-	-	-	-	-	-	-
8/1/2017	-	9,637,453	114,400,000	-	-	-	-	-	-	-	-	-	-
9/1/2017	-	9,637,453	114,400,000	-	-	-	-	-	-	-	-	-	-
10/1/2017	-	9,637,453	114,400,000	-	279,004	3,391,960	9,637,453	-	-	9,916,457	7,360,763	-	17,277,220
11/1/2017	-	110,431,197	110,431,197	-	-	-	-	-	-	-	-	-	-
12/1/2017	-	110,431,197	110,431,197	-	-	-	-	-	-	-	-	-	-
1/1/2018	-	110,431,197	110,431,197	-	-	-	-	-	-	-	-	-	-
2/1/2018	-	110,431,197	110,431,197	-	-	-	-	-	-	-	-	-	-
3/1/2018	-	110,431,197	110,431,197	-	-	-	-	-	-	-	-	-	-
4/1/2018	-	110,431,197	110,431,197	-	3,274,285	-	14,744,828	-	-	-	18,019,113	-	18,019,113
5/1/2018	-	95,686,369	95,686,369	-	-	-	-	-	-	-	-	-	-
6/1/2018	-	95,686,369	95,686,369	-	-	-	-	-	-	-	-	-	-
7/1/2018	-	95,686,369	95,686,369	-	-	-	-	-	-	-	-	-	-
8/1/2018	-	95,686,369	95,686,369	-	-	-	-	-	-	-	-	-	-
9/1/2018	-	95,686,369	95,686,369	-	-	-	-	-	-	-	-	-	-
10/1/2018	-	95,686,369	95,686,369	-	2,837,101	-	14,449,703	-	-	-	17,286,804	-	17,286,804
11/1/2018	-	81,236,666	81,236,666	-	-	-	-	-	-	-	-	-	-
12/1/2018	-	81,236,666	81,236,666	-	-	-	-	-	-	-	-	-	-
1/1/2019	-	81,236,666	81,236,666	-	-	-	-	-	-	-	-	-	-
2/1/2019	-	81,236,666	81,236,666	-	-	-	-	-	-	-	-	-	-
3/1/2019	-	81,236,666	81,236,666	-	-	-	-	-	-	-	-	-	-
4/1/2019	-	81,236,666	81,236,666	-	2,408,667	-	15,600,863	-	-	-	18,009,530	-	18,009,530
5/1/2019	-	65,635,803	65,635,803	-	-	-	-	-	-	-	-	-	-
6/1/2019	-	65,635,803	65,635,803	-	-	-	-	-	-	-	-	-	-
7/1/2019	-	65,635,803	65,635,803	-	-	-	-	-	-	-	-	-	-
8/1/2019	-	65,635,803	65,635,803	-	-	-	-	-	-	-	-	-	-
9/1/2019	-	65,635,803	65,635,803	-	-	-	-	-	-	-	-	-	-
10/1/2019	-	65,635,803	65,635,803	-	1,946,102	-	15,346,942	-	-	-	17,293,044	-	17,293,044
11/1/2019	-	50,288,861	50,288,861	-	-	-	-	-	-	-	-	-	-
12/1/2019	-	50,288,861	50,288,861	-	-	-	-	-	-	-	-	-	-

Date	Balance			Interest			Principal			P+I			Total Payment Due
	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3	Tranche1	Tranche2	Tranche3	
1/1/2020	-	-	50,288,861	-	-	-	-	-	-	-	-	-	-
2/1/2020	-	-	50,288,861	-	-	-	-	-	-	-	-	-	-
3/1/2020	-	-	50,288,861	-	-	-	-	-	-	-	-	-	-
4/1/2020	-	-	50,288,861	-	-	1,491,065	-	-	-	-	-	18,003,290	18,003,290
5/1/2020	-	-	33,776,636	-	-	-	-	-	-	-	-	-	-
6/1/2020	-	-	33,776,636	-	-	-	-	-	-	-	-	-	-
7/1/2020	-	-	33,776,636	-	-	-	-	-	-	-	-	-	-
8/1/2020	-	-	33,776,636	-	-	-	-	-	-	-	-	-	-
9/1/2020	-	-	33,776,636	-	-	-	-	-	-	-	-	-	-
10/1/2020	-	-	33,776,636	-	-	1,001,477	-	-	-	-	-	17,300,180	17,300,180
11/1/2020	-	-	17,477,933	-	-	-	-	-	-	-	-	-	-
12/1/2020	-	-	17,477,933	-	-	-	-	-	-	-	-	-	-
1/1/2021	-	-	17,477,933	-	-	-	-	-	-	-	-	-	-
2/1/2021	-	-	17,477,933	-	-	-	-	-	-	-	-	-	-
3/1/2021	-	-	17,477,933	-	-	-	-	-	-	-	-	-	-
4/1/2021	-	-	17,477,933	-	-	518,221	-	-	-	-	-	17,996,154	17,996,154

Period 10 PBR			
\$	17,275,345	Transition Bond Payment -	October 2016
\$	18,020,989	Transition Bond Payment -	April 2017
\$	14,135	Net Excess Funds Subaccount Adjustment	
\$	<u>604,000</u>	Ongoing Costs	
\$	35,914,469	Total	

ENERGY TEXAS, INC.
SUMMARY OF HURRICANE RECONSTRUCTION COST RIDER APPLICATION
OVER OR (UNDER) ANALYSIS FOR MARCH 2015 - FEBRUARY 2016
BILLING PERIOD: 10 RATE DEVELOPMENT

Rate Class	Actual Billings Available for April 2016 Payment												Total Billed
	March 2015	April	May	June	July	August	September 2015	October	November	December 2015	January 2016	February 2016	
Residential Service	1,895,357.10	1,242,838.49	1,386,614.30	1,663,727.75	2,193,250.45	2,406,930.99	2,136,974.54	1,688,002.72	1,287,213.17	1,314,040.29	1,700,061.33	1,485,358.42	20,360,370
Small General Service	189,375.96	730,684.93	137,381.06	167,299.82	154,170.60	160,418.21	153,316.21	134,192.01	117,052.83	117,265.12	135,354.70	120,861.27	1,687,358
General Service	767,916.06	742,986.89	777,751.41	878,833.54	797,440.46	811,364.80	806,734.12	732,872.85	644,524.63	603,989.17	651,852.78	612,455.54	8,828,435
Large General Service	175,844.89	161,507.37	186,569.44	197,373.51	205,646.90	205,892.67	201,153.71	195,255.01	186,281.53	158,474.24	175,167.58	170,960.11	2,250,167
Large Industrial Power Service	108,563.65	109,059.95	108,664.78	110,712.87	92,886.28	95,493.73	96,865.85	90,959.56	92,704.85	92,133.84	93,622.23	97,830.15	1,189,505
Interruptible Service	2,509.77	3,166.11	3,010.82	3,304.93	3,231.04	3,323.14	3,065.10	3,399.00	3,274.50	2,927.87	3,414.26	3,368.56	38,084
Exper. Econ. As-Avail. Pwr. Svc.	-	-	-	-	-	-	-	-	-	-	-	-	-
Standby and Maintenance Service	11,354.99	11,133.81	11,133.81	11,495.33	10,957.57	10,037.32	10,108.68	10,147.42	10,124.23	10,123.40	10,103.39	10,938.80	126,760
Street and Outdoor Lighting	113,769.28	114,379.24	113,951.83	114,560.89	109,008.46	109,212.85	109,330.29	109,937.52	109,528.58	111,090.04	111,859.12	111,894.64	1,338,521
Totals	2,994,388.72	2,535,754.78	2,725,117.45	3,347,308.44	3,565,699.76	3,802,873.71	3,517,538.50	2,964,865.09	2,460,714.42	2,410,034.07	2,881,435.39	2,613,667.49	35,819,199

Rate Class	PBR for Period 9	Adjusted for Uncollectibles	Total Billed	Over or (Under) Recovery	
				(A)	
Residential Service	20,307,462	\$	20,360,370	\$	52,908
Small General Service	1,500,128	\$	1,687,358	\$	187,230
General Service	8,348,581	\$	8,828,435	\$	479,854
Large General Service	2,338,427	\$	2,250,167	\$	(88,260)
Large Industrial Power Service	1,250,370	\$	1,189,505	\$	(60,865)
Interruptible Service	35,977	\$	38,084	\$	2,107
Exper. Econ. As-Avail. Pwr. Svc.	118	\$	-	\$	(118)
Standby and Maintenance Service	120,724	\$	126,760	\$	6,036
Street and Outdoor Lighting	1,277,954	\$	1,338,521	\$	60,567
Totals	35,179,741	\$	35,819,189	\$	638,458

Remove Class-specific True-up from Excess Funds balance \$ 625,323
 Net Excess Funds Subaccount Adjustment \$ (639,458)
 Net Excess Funds Subaccount Adjustment \$ (14,135)

**This page replaces
HIGHLY SENSITIVE
WP4/KNT-1
Page 1 of 2 through 2 of 2
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ENTERGY TEXAS, INC.
Comparison of Period 9 and Period 10 HRC Rates

Rate Classes	Period 9	Period 10	Change in HRC Rates	
	Adjusted HRC Rates (1)	Adjusted HRC Rates (2)	\$ per Unit (3)	% Change (4)
Residential Service	\$0.00346	\$0.00340	-\$0.00006	-1.7%
Small General Service	\$0.00465	\$0.00419	-\$0.00046	-9.9%
General Service	\$0.00239	\$0.00234	-\$0.00005	-2.1%
Large General Service	\$0.00153	\$0.00154	\$0.00001	0.7%
Large Industrial Power Service	\$0.09783	\$0.09679	-\$0.00104	-1.1%
Interruptible Service	\$0.02498	\$0.02607	\$0.00109	4.4%
Economic As-Available Service	\$0.00000	\$0.00000	\$0.00000	0.0%
Standby and Maintenance Service	\$0.02080	\$0.01682	-\$0.00398	-19.1%
Street and Outdoor Lighting	\$0.01468	\$0.01401	-\$0.00067	-4.6%

I. RATE CLASSES

For purposes of determining and billing Initial or Adjusted Hurricane Reconstruction Costs Rates, each end-use customer will be designated as a customer belonging to one of nine classes as identified and defined in § V of Rate Schedule HRC.

II. NET MONTHLY RATE

The Initial or Adjusted HRC Rates shall be determined in accordance with and are subject to the provisions set forth in Rate Schedule HRC. Not less than 15 days prior to the first billing cycle for the Company's July 2008 billing month and no less frequently than annually thereafter, the Company or successor Servicer will file a Revision to Schedule HRC, Attachment A setting forth the Adjusted HRC Rates to be effective for the upcoming period. If made as a result of the standard true-up adjustment in Rate Schedule HRC, the Adjusted HRC Rates will become effective on the first billing cycle of the Company's July billing month. If an interim true-up adjustment is made pursuant to Rate Schedule HRC, the Adjusted HRC Rates will become effective on the first billing cycle of the Company's billing month that is not less than 15 days following the making of the interim true-up adjustment filing. If a Non-Standard True-Up filing pursuant to Rate Schedule HRC is made to revise the Initial or Adjusted HRC Rates, the filing will be made at least 90 days prior to the first billing cycle for the Company's July billing month. Amounts billed pursuant to this schedule are not subject to Rider IHE or State and local sales tax.

HRC Rate Class	Initial or Adjusted HRC Rates		
Residential	\$0.00340	per kWh	R
Small General Service	\$0.00419	per kWh	R
General Service	\$0.00234	per kWh	R
Large General Service	\$0.00154	per kWh	I
Large Industrial Power Service	\$0.09679	per kW	R
Interruptible Service	\$0.02607	per kW	I
Experimental Economic As-Available Power Service	\$0.00000	per kWh	
Standby and Maintenance Service	\$0.01682	per kW	R
Street and Outdoor Lighting	\$0.01401	per kWh	R

The Initial or Adjusted HRC Rates are multiplied by the kWh or kW as applicable, read, estimated or determined during the billing month and will be applied to bills rendered on and after the effective date.